

MPC - Geology  
Thomas E. Newman,  
CP, RG  
Chief Geologist



Holcim (US) Inc.  
1405 parkwood Drive  
Ft Collins, CO  
80525-1934  
USA

Phone 970-215-6110  
[www.holcim.com/us](http://www.holcim.com/us)  
[Tom.newman@holcim.com](mailto:Tom.newman@holcim.com)  
[m](#)

M/045/0012

7344  
7330

7-5-2016

To:  
Paul Baker  
Leslie Heppler  
Utah Department of Natural Resources  
State of Utah  
Division of Oil, Gas and Mining  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, UT, USA 84114-5801  
801,538,5318  
801-521-6210

**Subject: Surety Bond , Holcim (US) Inc., Poverty Point, M/045/0012, Tooele County, Utah**

**Request for Extension – Poverty Point Mine, M/045/0012, Tooele County, Utah**

Dear Mr. Baker and Ms. Heppler,

Ken George received your letter dated May 2, 2016 regarding First Review of Modified Notice of Intention to Commence Large Mining Operations and Surety Bonding for , Holcim (US) Inc., Poverty Point Mine, M/045/0012, Tooele County, Utah.

LafargeHolcim also known as Holcim (US) Inc. is issuing an increase if its existing Surety Bond to the amount of \$2,588,900 on or around July 7, 2016.

This letter is also to request an extension of the date set in your letter to submit changes per R647-4. We are in need of your Staff to compete the changes and propose a meeting the first week of August, 2016.

We would like to proposed date of October 31, 2016.

Your consideration on this extension is most appreciated.

Sincerely,

*Tnewman (electronic signature)*

Tom Newman, CPG, RG (Utah)  
Chief Geologist  
Holcim (US) Inc.

Cc:  
Ken George, Holcim Quarry Manager, Lafarge Holcim

RECEIVED E-Mail

JUL 07 2016

Div. of Oil, Gas & Mining



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Tom Newman, CPG, RG (Utah)  
Chief Geologist  
Holcim (US) Inc.

Cc:  
Ken George, Holcim Quarry Manager, Lafarge Holcim





Paul Baker &lt;paulbaker@utah.gov&gt;

## Poverty Point and Round Valley - Bonding Updates - Poverty Point - M/045/0012 and Round Valley - M/029/0004

6 messages

Tom NEWMAN &lt;tom.newman@lafargeholcim.com&gt;

Wed, Jul 6, 2016 at 4:05 PM

To: Paul Baker &lt;paulbaker@utah.gov&gt;, Leslie Heppler &lt;lheppler@utah.gov&gt;

Cc: Ken GEORGE &lt;ken.george@lafargeholcim.com&gt;, Mike Toelle &lt;mike.toelle@lafargeholcim.com&gt;

Dear Paul and Leslie,

Holcim (US) Inc. is making every effort to comply with the 7-7-16 date for the Bonding of:

Poverty Point - M/045/0012  
and  
Round Valley - M/029/0004

Update:

### Poverty Point

A request to increase the Bond amount of our Existing Bond M/045/0012 - has been made with AON and Travelers Bond & Specialty Insurance today.

(please note that the primary contact employees at the companies have taken advantage of the Monday July 4 Holiday and taken the whole week)

I can copy you with email correspondence if needed) The Existing Bond will be increased to \$2,588,900.00 as recommend by DOGM.

### Round Valley

Round Valley existing bond is held as a LOC by the Rees Family....

Holcim (US) Inc. is contracting with the Rees Family to assume the LMO Permit and associated Bond.

The intent is to convert the LOC Bond into a Surety Bond for the amount of \$4,181,000 as suggested by DOGM.

Holcim (US) Inc. was to optimistic in the timing of acquiring the LMO and associated Bond from the Rees Family !

The contributing factor is the merger of Lafarge and Holcim Cement Companies.

It has consumed ALL of our top management's time.

Mike Toelle, Corporate Mine Engineer is leading the effort and can report.

Please let us know what assurances DOGM needs that Holcim (US) Inc. will issue a Surety Bond for \$4,181,00 when the Rees contract is signed.

Your consideration and help in the matter is most appreciated.

Thank you - Tom Newman

attachments

Tom Newman, CP<sup>cert</sup>

Holcim (US) Inc.

LafargeHolcim Inc.

Sr Raw Materials Expert-Geology

1405 Parkwood Drive

Fort Collins, Colorado 80525-1934

970-215-6110 Cell

tom.newman@lafargeholcim.com

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2 attachments





**Devil's Slide Rees Round Valley Bond Reevaluation Extension DOGM Ltr 7-5-16.doc**  
50K



**Devil's Slide Poverty Point Bond Reevaluation Extension DOGM Ltr 7-5-2016..doc**  
50K

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**Paul Baker** <paulbaker@utah.gov>  
To: Leslie Heppler <lheppler@utah.gov>

Wed, Jul 6, 2016 at 4:58 PM

Sorry we got cut off in our conversation, but I trust you to tell Tom what needs to be done.

[Quoted text hidden]

--

Paul Baker  
Minerals Program Manager  
Utah Division of Oil, Gas and Mining  
[801-538-5261](tel:801-538-5261)  
M-W, F

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**Leslie Heppler** <lheppler@utah.gov>  
To: Tom NEWMAN <tom.newman@lafargeholcim.com>

Wed, Jul 6, 2016 at 5:05 PM

Cc: Paul Baker <paulbaker@utah.gov>, Ken GEORGE <ken.george@lafargeholcim.com>, Mike Toelle <mike.toelle@lafargeholcim.com>

Tom -

Thank you for increasing the Poverty Point reclamation surety - the July date is satisfactory (to be in place at OGM by July 21, 2016).

Round Valley is another question. At this time, at the Round Valley Mine, there is more than \$67,200 worth of reclamation liability to the State of Utah. I agree there is NOT \$4,181,000 worth of disturbance.

Could you propose a reasonable amount of reclamation bond based on your best knowledge on how long it will take for negotiations with Scott Rees and the time to get a NOI in place? (Basically I would like to have the mine in compliance)

On Wed, Jul 6, 2016 at 4:05 PM, Tom NEWMAN <tom.newman@lafargeholcim.com> wrote:

[Quoted text hidden]

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Utah Division of Oil, Gas & Mining  
Office hours - Mon thru Fri 8-5  
[\(801\) 538-5340](tel:801-538-5340)  
Leslie Heppler  
[lheppler@utah.gov](mailto:lheppler@utah.gov)  
Direct line [\(801\) 538-5257](tel:801-538-5257) (Mon -Thur)

Thank you for reading this electronic correspondence.  
Please consider the environment before printing.

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**Tom NEWMAN** <tom.newman@lafargeholcim.com>

Wed, Jul 6, 2016 at 5:11 PM

To: Leslie Heppler <lheppler@utah.gov>

Cc: Paul Baker <paulbaker@utah.gov>, Ken GEORGE <ken.george@lafargeholcim.com>, Mike Toelle <mike.toelle@lafargeholcim.com>

Leslie,

Thank you !

A most excellent suggestion for Round Valley....

Mike Toelle and Ken George will be visiting Round Valley tomorrow and can make the assessment for a Surety Bond



based on today...

Mike Toelle and Ken George are the most experienced miners in the Corporation. The Corporation - operates - based on their judgements.

Mike Toelle is making every effort to press forward on the contract with the Rees Family and will report back.

Your consideration is MOST appreciated!

tom

Tom Newman, CP<sup>cert</sup>  
Holcim (US) Inc.  
LafargeHolcim Inc.  
Sr Raw Materials Expert-Geology  
1405 Parkwood Drive  
Fort Collins, Colorado 80525-1934  
970-215-6110 Cell  
[tom.newman@lafargeholcim.com](mailto:tom.newman@lafargeholcim.com)

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**Leslie Heppler** <lheppler@utah.gov>

Wed, Jul 6, 2016 at 5:20 PM

To: Tom NEWMAN <[tom.newman@lafargeholcim.com](mailto:tom.newman@lafargeholcim.com)>

Cc: Paul Baker <[paulbaker@utah.gov](mailto:paulbaker@utah.gov)>, Ken GEORGE <[ken.george@lafargeholcim.com](mailto:ken.george@lafargeholcim.com)>, Mike Toelle <[mike.toelle@lafargeholcim.com](mailto:mike.toelle@lafargeholcim.com)>

- The biggest cost I see at this time - what it would cost to get the highwalls in compliance. Without a geotech report and request for variance the expense to blast the walls to conform with a 1H:1V slope would be a large expense.
- 2nd cost - how much to get rid of the 37 degree dump face? (ie 2H:1V topsoil and veg)
- 3rd cost - where is that topsoil?

[Quoted text hidden]

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**Paul Baker** <[paulbaker@utah.gov](mailto:paulbaker@utah.gov)>

Tue, Jul 12, 2016 at 9:46 AM

To: Tom NEWMAN <[tom.newman@lafargeholcim.com](mailto:tom.newman@lafargeholcim.com)>

Cc: Leslie Heppler <lheppler@utah.gov>, Ken GEORGE <[ken.george@lafargeholcim.com](mailto:ken.george@lafargeholcim.com)>, Mike Toelle <[mike.toelle@lafargeholcim.com](mailto:mike.toelle@lafargeholcim.com)>

Tom--

I'm sorry for taking this much time to respond to your requests. I believe I understand them, but please let me know if there's a misunderstanding.

The Division approves your requests as follows:

For Round Valley:

LafargeHolcim will submit a new bond in the amount of at least \$1,390,501 by July 31, 2016. Holcim will submit an application to transfer the mine from Scott and Joseph Rees to Holcim by August 30, 2016.

For Poverty Point:

By July 21, 2016, LafargeHolcim will submit an increase in its bond for the Poverty Point mine to a total of \$2,588,900. Changes to the Notice of Intention need to be submitted by October 31, 2016, and members of the Division staff will try to meet with you in early August.

[Quoted text hidden]

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Paul Baker  
Minerals Program Manager  
Utah Division of Oil, Gas and Mining  
801-538-5261  
M-W, F